

# Property Tax Credits Reimbursement House File 1

Last Action:  
House Appropriations  
Committee  
January 15, 2003

**Executive Summary Only**

**An Act relating to the allowance of and reimbursement for the homestead, agricultural land, and elderly and disabled property tax credits, increasing appropriations previously reduced, and providing an effective date.**



## **LEGISLATIVE FISCAL BUREAU NOTES ON BILLS AND AMENDMENTS (NOBA)**

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**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 1  
PROPERTY TAX CREDIT REIMBURSEMENTS**

**FUNDING OF TAX CREDITS**

- Eliminates the reductions made during the Second 2002 Extraordinary Session to the standing appropriations to reimburse counties for the Homestead Tax Credit, Agricultural Land Tax Credit, and the Elderly and Disabled Tax Credit. There is no change to the tax credit reimbursement reductions made prior to the Second Extraordinary Session.
- The additional funds will be distributed proportionately to counties.
  - Counties that did not grant the maximum credit for the Homestead Tax Credit and the Elderly and Disabled Tax Credit are required to grant a carryover credit to be applied to taxes due in FY 2004. Counties that granted the maximum Homestead and Elderly and Disabled Tax Credit will be reimbursed for the reduced tax revenue.
  - The pro rata reimbursements for the Agricultural Land Tax Credit are to be deposited in a separate account and used for taxes payable in FY 2004.
- *The total FY 2003 General Fund cost is projected to be \$3.5 million, distributed as follows:*
  - *\$2.4 million for the Homestead Tax Credit.*
  - *\$355,000 for the Elderly and Disabled Tax Credit.*
  - *\$799,000 for the Agricultural Land Tax Credit.*

**FISCAL IMPACT**

# Unassigned Standing

## General Fund

|   | <u>Actual</u><br><u>FY 2002</u> | <u>Estimated</u><br><u>FY 2003</u> | <u>House Subcom</u><br><u>FY 2003</u> | <u>House Subcom</u><br><u>vs. Est. 2003</u> | <u>Bill</u><br><u>Number</u> | <u>Page &amp; Line</u><br><u>Number</u> |
|---|---------------------------------|------------------------------------|---------------------------------------|---|------------------------------|---|
|   | <u>(1)</u>                      | <u>(2)</u>                         | <u>(3)</u>                            | <u>(4)</u>                                  | <u>(5)</u>                   | <u>(6)</u>                              |
| <b><u>Revenue and Finance, Dept. of</u></b> |                                 |                                    |                                       |   |                              |   |
| Ag Land Tax Credit                          | \$ 37,418,700                   | \$ 35,497,624                      | \$ 36,296,139                         | \$ 798,515                                  | H.F. 1                       | Pg 2, Ln 4                              |
| Homestead Tax Credit Aid                    | 111,161,219                     | 105,585,004                        | 107,960,127                           | 2,375,123                                   | H.F. 1                       | Pg 1, Ln 1                              |
| Elderly & Disabled Tax Credit               | 15,944,334                      | 15,796,897                         | 16,152,246                            | 355,349                                     | H.F. 1                       | Pg 2, Ln 33                             |
| <b>Total Unassigned Standing</b>            | <b><u>\$ 164,524,253</u></b>    | <b><u>\$ 156,879,525</u></b>       | <b><u>\$ 160,408,512</u></b>          | <b><u>\$ 3,528,987</u></b>                  |                              |   |